

**Remarks**

This Application has been carefully reviewed in light of the Office Action mailed March 18, 2004. Applicants appreciate the Examiner's consideration of the Application. To provide clarification, Claims 1, 13, 25, 26, 31, and 36 have been amended and Claims 12 and 24 have been canceled. At least the amendments to Claims 29 and 34 are not considered narrowing, and none of these amendments are considered necessary for patentability. In addition, new Claims 37-44 have been added, none of which introduce new matter. Applicants respectfully request reconsideration and allowance of all rejected claims and consideration and allowance of all new claims.

**Typographical Errors have been Corrected**

The Examiner objects to the Specification and Claims 29 and 34 because of informalities. Applicants appreciate the Examiner bringing these typographical errors to Applicants' attention. In particular, the Examiner requests that on page 2, line 14 of the Specification, "shipping the goods to the seller" should be amended to recite "shipping the goods to the buyer." Applicants have corrected this typographical error. Additionally, the Examiner requests that the word "buyer" should be replaced with the word "seller" in each of these claims.<sup>1</sup> Applicants have corrected these typographical errors. Applicants respectfully submit that no new matter has been added by these amendments to the Specification and Claims 29 and 34, and the amendments to Claims 29 and 34 are not considered narrowing or necessary for patentability. For at least these reasons, Applicants respectfully request that the Examiner withdraw the objection to the Specification and Claims 29 and 34.

**Claims 1-36 are Allowable over Shavit**

The Examiner rejects Claims 1-36 under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent 4,799,156 to Shavit, et al. ("Shavit"). Applicants respectfully disagree.

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<sup>1</sup> Actually, the Examiner states that "the word 'seller' should be the word 'buyer' in each of these claims." (Office Action, Page 2) However, given the fact that the word "seller" does not appear in either of these claims and that Claims 29 and 34 are identical to Claims 28 and 33, respectively, prior to the amendments presented in the present Response, Applicants believe the Examiner intended to request that the word "buyer" be replaced with the word "seller" in each of Claims 29 and 34.

*Shavit* merely discloses an interactive market management system for interactive on-line electronic communications and processing of business transactions between a plurality of independent users, including at least a plurality of sellers, a plurality of buyers, financial institutions, and freight service providers. (Abstract and Column 5, Lines 16-20) The system includes a database that contains user information. (Abstract) Users who subscribe to the services of the interactive market management system have all the services of the system available to them, while non-subscribers may access the system and communicate with databases of subscribers who authorize access. (Column 6, Lines 4-9) Financial services can be made available via the system, allowing financial institutions to lend money to the industry to finance both the distribution channels and the buyer. (Column 8, Lines 23-26) A payment service capability is provided to the user who authorizes the system to carry its payment instructions to the user's bank. (Column 8, Lines 55-58)

***Claims 1-25 are Allowable***

Independent Claim 1, as amended, recites:

A computer-implemented marketplace for providing one or more financial transaction services to participants in connection with commercial transactions involving the participants, comprising:

a database containing:

registration information for one or more types of transactions available to participants through the marketplace;

participation criteria for each participant specifying one or more types of transactions in which the participant is willing to participate in association with the marketplace, each participant being pre-qualified to enter into the one or more types of transactions specified in the participation criteria for the participant; and

one or more processes each operable to provide an associated financial transaction service for one or more participants in connection with ongoing transactions involving the participants;

the marketplace operable to:

initiate a selected process in response to a specified event associated with an ongoing transaction, according to the registration information and participation criteria, to provide a corresponding financial transaction service to at least one participant involved in the ongoing transaction; and

monitor activities of the at least one participant in the ongoing transaction to assess whether the participant should continue to be pre-qualified to participate in transactions of the same type as the ongoing transaction.

*Shavit*, whether considered alone or in combination with knowledge generally available to those of ordinary skill in the art at the time of invention, fails to disclose, teach, or suggest various limitations recited in Claim 1, as amended.

For example, *Shavit* fails to disclose, teach, or suggest a database containing “participation criteria for each participant specifying one or more types of transactions in which the participant is willing to participate in association with the marketplace, each participant being pre-qualified to enter into the one or more types of transactions specified in the participation criteria for the participant,” as recited in Claim 1, as amended. *Shavit* discloses that “[u]sers who subscribe to the services of the interactive market management system have all the services of the system available to them while non-subscribers may access the system and communicate with the databases of subscribers who authorize such access.” (Column 6, Lines 4-9) This, in part, merely discloses that users subscribing to the interactive market management system disclosed in *Shavit* automatically have all the services of the system available to them. However, nowhere does *Shavit* disclose, teach, or suggest a database containing “participation criteria for each participant” that “specifies one or more types of *transactions in which the participant is willing to participate*,” as recited in Claim 1. Furthermore, nowhere does *Shavit* disclose, teach, or suggest that “each participant [is] pre-qualified to enter into the one or more types of transactions specified in the participation criteria for the participant,” as recited in Claim 1, as amended.

As another example, nowhere does *Shavit* disclose, teach, or suggest a marketplace operable to “initiate a selected process in response to a specified event associated with an ongoing transaction, *according to the registration information and participation criteria*, to provide a corresponding financial transaction service to at least one participant involved in the ongoing transaction,” as recited in Claim 1. At least because *Shavit* fails to disclose, teach, or suggest the participation criteria recited in Claim 1, as amended, *Shavit* necessarily also fails to disclose, teach, or suggest a marketplace operable to “initiate a selected process . . . *according to the registration information and participation criteria*,” as recited in Claim 1.

As yet another example, nowhere does *Shavit* disclose, teach, or suggest a marketplace operable to “monitor activities of the at least one participant in the ongoing transaction to assess whether the participant should continue to be pre-qualified to participate in transactions of the same type as the ongoing transaction,” as recited in Claim 1, as amended. *Shavit* merely discloses that its system allows distributors, suppliers, and financial institutions to make credit available to buyers. (Column 14, Lines 50-52) According to *Shavit*, this credit may cover all supplies bought from a given distributor, or all the products of a given manufacturer. (Column 14, Lines 52-54) According to *Shavit*, the commitment to pay through the network allows *the lending company to monitor* and control credit utilization and risks involved with extension of credit. However, this fails to disclose, teach, or suggest “*a marketplace operable to . . . monitor*,” let alone “*a market place operable to . . . monitor activities of the at least one participant in the ongoing transaction to assess whether the participant should continue to be pre-qualified to participate in transactions of the same type as the ongoing transaction*,” as recited in Claim 1, as amended.

Applicant respectfully notes that “[a] claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” *Verdegaal Bros. v. Union Oil Co. of California*, 2 U.S.P.Q.2d 1051, 1053 (Fed. Cir. 1987); M.P.E.P. § 2131. In addition, “[t]he elements must be arranged as required by the claim.” *Richardson v. Suzuki Motor Co.*, 9 U.S.P.Q.2d 1913, 1920 (Fed. Cir. 1989); *In re Bond*, 15 U.S.P.Q.2d 1566 (Fed. Cir. 1990); M.P.E.P. § 2131. As illustrated above, *Shavit* fails to disclose, either expressly or inherently, each and every limitation recited in Applicants' Claim 1, as is required under the M.P.E.P. and governing Federal Circuit cases.

For at least these reasons, Applicants respectfully request reconsideration and allowance of independent Claim 1 and its dependent claims. For at least the reasons stated with regard to independent Claim 1, Applicants also respectfully request reconsideration and allowance of independent Claims 13 and 25 and their dependent claims.

***Claims 26-36 are Allowable***

Independent Claim 26, as amended, recites:

Software operating at a computer-implemented marketplace for settling a commercial transaction between a buyer and a seller, the software being embodied in a computer-readable medium and when executed operable to:

- receive an order for at least one item from the buyer, the buyer being associated with stored participation criteria accessible to the marketplace that specifies one or more types of transactions in which the buyer is willing to participate in association with the marketplace, the participation criteria indicating that the buyer is willing to participate in purchase transactions, the buyer being pre-qualified to enter into the one or more types of transactions specified in the participation criteria for the buyer, the order received from the buyer initiating a purchase transaction;
- communicate the order to the seller for fulfillment of the order;
- receive notification from the seller in response to shipping of the item;
- receive notification from the buyer in response to acceptance of the item;
- communicate payment instructions to at least one financial agent associated with the buyer;
- receive payment from the financial agent associated with the buyer;
- communicate the payment to a financial agent associated with the seller;
- receive notification from the seller in response to acceptance of the payment
- communicate accounting information reflecting settlement of the transaction; and
- monitor activities of the buyer in the purchase transaction to assess whether the buyer should continue to be pre-qualified to participate in purchase transactions.

*Shavit*, whether considered alone or in combination with the knowledge generally available to those of ordinary skill in the art at the time of invention, fails to disclose, teach, or suggest various limitations recited in Claim 26, as amended.

For example, *Shavit* fails to disclose, teach, or suggest “the buyer being associated with stored participation criteria accessible to the marketplace that specifies one or more types of transactions in which the buyer is willing to participate in association with the marketplace, the participation criteria indicating that the buyer is willing to participate in purchase transactions, the buyer being pre-qualified to enter into the one or more types of transactions specified in the participation criteria for the buyer, the order received from the buyer initiating a purchase transaction,” as recited in Claim 26, as amended. As discussed above, *Shavit* discloses that “[u]sers who subscribe to the services of the interactive market management system have all the services of the system available to them while non-

subscribers may access the system and communicate with the databases of subscribers who authorize such access.” (Column 6, Lines 4-9) This, in part, merely discloses that users subscribing to the interactive market management system disclosed in *Shavit* automatically have all the services of the system available to them. However, nowhere does *Shavit* disclose, teach, or suggest “the buyer being associated with stored participation criteria, stored in a database accessible to the marketplace, which *specifies* one or more types of *transactions in which the buyer is willing to participate in association with the marketplace, the participation criteria indicating that the buyer is willing to participate in purchase transactions*,” as recited in Claim 26, as amended. Furthermore, nowhere does *Shavit* disclose, teach, or suggest “*the buyer being pre-qualified to enter into the one or more types of transactions specified in the participation criteria for the buyer*,” as recited in Claim 26, as amended.

As another example, nowhere does *Shavit* disclose, teach, or suggest software operable to “monitor activities of the buyer in the purchase transaction to assess whether the buyer should continue to be pre-qualified to participate in purchase transactions,” as recited in Claim 26, as amended. As discussed above, *Shavit* merely discloses that its system allows distributors, suppliers, and financial institutions to make credit available to buyers. (Column 14, Lines 50-52) According to *Shavit*, this credit may cover all supplies bought from a given distributor, or all the products of a given manufacturer. (Column 14, Lines 52-54) According to *Shavit*, the commitment to pay through the network allows *the lending company to monitor* and control credit utilization and risks involved with extension of credit. However, this fails to disclose, teach, or suggest “*software operable to . . . monitor*” let alone “*software operable to . . . monitor activities of the buyer in the purchase transaction to assess whether the buyer should continue to be pre-qualified to participate in purchase transactions*,” as recited in Claim 26, as amended.

Applicant again respectfully notes that “[a] claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” *Verdegaal Bros. v. Union Oil Co. of California*, 2 U.S.P.Q.2d 1051, 1053 (Fed. Cir. 1987); M.P.E.P. § 2131. In addition, “[t]he elements must be arranged as required by the claim.” *Richardson v. Suzuki Motor Co.*, 9 U.S.P.Q.2d 1913, 1920 (Fed. Cir.

1989); *In re Bond*, 15 U.S.P.Q.2d 1566 (Fed. Cir. 1990); M.P.E.P. § 2131. As illustrated above, *Shavit* fails to disclose, either expressly or inherently, each and every limitation recited in Applicants' Claim 26, as is required under the M.P.E.P. and governing Federal Circuit cases.

For at least these reasons, Applicants respectfully request reconsideration and allowance of independent Claim 26 and its dependent claims. For at least the reasons stated with regard to independent Claim 26, Applicants also respectfully request reconsideration and allowance of independent Claims 26, 31, and 36 and their dependent claims.

All of Applicants' arguments and amendments are without prejudice or disclaimer. Additionally, Applicants have merely discussed example distinctions from *Shavit*. By not responding to additional statements made by the Examiner, Applicants do not acquiesce in the Examiner's additional statements. The example distinctions discussed by Applicants are sufficient to overcome the anticipation rejections.

**New Claims 37-44 are Allowable**

New Claims 37-38, 39-40, 41-42, and 42-44 depend from independent Claims 1, 13, 26, and 31, respectively, which Applicants have shown above to be clearly allowable, and are allowable for at least this reason. In addition, new Claims 37-44 recite further patentable distinctions over *Shavit*. To avoid burdening the record, Applicants do not discuss these further patentable distinctions in this Response; however, Applicants respectfully reserve the right to discuss these distinctions in a future Response or on Appeal, if appropriate. For at least these reasons, Applicants respectfully request consideration and allowance of new Claims 37-44.

**Conclusion**

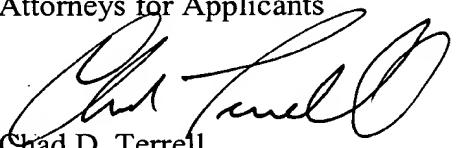
Applicants have made an earnest attempt to place this case in condition for allowance. For at least the foregoing reasons, and for other reasons clearly apparent, Applicants respectfully request full allowance of all pending claims.

If the Examiner believes a telephone conference would advance prosecution of this case in any way, the Examiner is invited to contact Christopher W. Kennerly, Attorney for Applicants, at the Examiner's convenience at (214) 953-6812.

A check in the amount of \$108.00 is enclosed to cover the cost of six new claims total over twenty. Although Applicants believe no other fees are due, the Commissioner is hereby authorized to charge any fees or credit any overpayments to Deposit Account No. 02-0384 of Baker Botts L.L.P.

Respectfully submitted,

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